



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Care Financing Administration

Washington, D.C. 20201

JUN 29 1998

Douglas Porter
Deputy Director
Medical Care Services
714 P Street, Room 1253
Sacramento, California 95814

Dear Mr. Porter:

We are pleased to inform you that your Children's Health Insurance Program (CHIP) plan amendment has been approved with the clarifications you submitted on April 30, 1998.

Specifically, this State Plan Amendment will modify sections 4.1.3 and 4.4.1 of your Children's Health Insurance Plan. These modifications will eliminate the use of income disregards for Healthy Families, with the exception of those exemptions required for federally means tested programs. This will result in limiting eligibility for Healthy Families to a gross income of 200 percent or less of the federal poverty level (FPL), with the exception of children in those exempted categories.

This change will be effective on July 1, 1998. It is our understanding that public notice of this change was provided on April 16 at a meeting of the Managed Risk Medical Insurance Board, which satisfies the statutory requirement for providing prior public notice.

Your project officer continues to be Ms. Kathleen Farrell. Ms. Farrell is available to answer any questions concerning the implementation of your Title XXI Program and can be reached at (410)786-1236. Her address is:

Health Care Financing Administration
Center for Medicaid and State Operations, Mail Stop C3-18-26
7500 Security Boulevard
Baltimore, Maryland 21244-1850

Official communications regarding program matters should be sent simultaneously to the project officer and to Richard Chambers, Associate Regional Administrator, Division of Medicaid. Mr. Chamber's address is:

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Health Care Financing Administration, Region IX
75 Hawthorne Street
4th Floor
San Francisco, California 94105-3903

Sincerely,

A handwritten signature in black ink, reading "Nancy-Ann Min DeParle". The signature is fluid and cursive, with the first name "Nancy" and last name "DeParle" being more prominent.

Nancy-Ann Min DeParle
Administrator

cc: ARA, DSMO, Region IX